

Retro Advisory Committee

Meeting of April 9, 1996

Minutes

Members Present:

DeDe Edwards, *Pederson's Fryer Farms Inc*

Dick Mettler, *NW Wall & Ceiling Contractor's Assoc*

Rob Sumner, *Timber Operator's Council*

Gene Vosberg, *Restaurant Assoc of WA*

Pat Boss, *Hop Growers*

Tom Kweciak, *Bldg Industry Assoc of WA*

John Gentry, *Decor Carpet One*

John Sweitzer, *Red Lion Inns & Hotels*

Kathy Willis, *L&I (chair)*

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Introductions – Introductions were made and minutes of the 02/13/96 meeting were approved.

Evolution of Claims Services – Theresa Whitmarsh (Assistant Director, Insurance Services) gave an overview of the Evolution of Claims Services. The purpose of this initiative is to improve customer service, access, and satisfaction while maintaining financial and operational integrity. Guiding principals for Evolution of Claims are: reduced caseloads for all claims managers; field teams providing integrated services; employer assignment of claims; employer reported claims; pre-injury outreach; and improved access and information for workers. Theresa indicated a project team should have models developed for Claims Services by the end of September.

Financial Update/Reserves – Paul Douthit (Chief Financial Officer) and Bill White (Chief Actuary) provided overview of the Departments financial status, as of 12/31/95. Total assets have increased from \$6.7 billion at 9/30/95 to \$6.8 billion at 12/31/95. The Contingency Reserve increased from \$781 Million at 9/30/95 to \$932 million at 12/31/95. The Department expects the Contingency Reserve to decrease due to the rate reduction.

Actuaries' Corner – Bill White advised that public hearings for Third Party rule changes are scheduled for April 15, 1996. This public hearing will also cover risk class changes. Bill also discussed the Loss Development Factor and Performance Adjustment Factor.

Drug-Free Workplace Legislation – Kathy Willis, Bill White, Kathy Kimbel and Legislative Liaison Karen Terwilleger shared information about the new Drug Free Workplace legislation and outlined pending issues. This legislation establishes a program for state fund employers to implement drug free workplace programs which will be certified by DSHS on a yearly basis. Employers with certified drug free programs are eligible for a 5% premium discount for up to 3 years. Employers may not receive premium discounts from L&I under more than one discount program. This legislation provides for a pilot with a limited amount of money and requires DSHS and L&I to do a study. DSHS and L&I will be working closely together to implement this program.

There was much discussion about this new legislation. The main issue is whether Retro is considered a "discount program" as referenced in the legislation. The Department will clarify the intent of the legislation as far as Retro participation. Further clarifying information will be provided as soon as possible.

External Access – This agenda item will be discussed at the next Retro Advisory Committee meeting due to time constraints at this meeting.

Safety & Health/Retro Conference – This agenda item will be discussed at the next Retro Advisory Committee meeting due to time constraints at this meeting.

Policy 9.20 “Release of Medical Information to Employers” – The Retro Advisory Committee and other Retro participants expressed their concerns regarding Policy 9.20. Of special concern was the recent Provider Bulletin regarding this policy. Employers feel this policy will hamper their ability to get the information they need in a timely manner. Kathy Willis explained that the intent of the policy was not to restrict the flow of relevant information to employers, but to clarify how the Department will resolve situations where the provider is not sharing medical information with the employer. This policy was developed after very extensive stakeholdering and legal advice. Kathy indicated that Business representatives were meeting with Theresa Whitmarsh regarding the new policy.

Tour of the Labor & Industries Building – Kathy Willis advised that there will be a tour of the L&I building following this meeting for any of the Retro Advisory Committee members who are interested.

Meeting was adjourned at 12:15 PM.

NEXT MEETING: June 11, 1996, 9:00 a.m.-12 noon
L&I Headquarters Building , Tumwater WA
(Note, meeting date was later changed from June 11 to June 25)